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Attachment II

Description of the Managerial Grid Program

1. The complete Managerial Grid Program consists of six steps, or Phases, aimed at increasing the effectiveness of an entire organization. It is based on the assumption that an organization is a system rather than a collection of individuals and that individual behavior depends on the traditions, precedents and total culture of the organization. This Program further assumes that if an organization is to change in the direction of greater effectiveness, it must not only aim to change the working behavior of individuals, but also the functioning of groups, and finally of the organization in its entirety. This approach, commonly known as "organization development" (or "OD") is increasingly drawing the attention and support of trainers, consultants, as well as managers in business and in government. (Note: Argyris' recent pamphlet on the State Department is written with "organizational development" as the main theme.)

2. Phase I:

This is a five-day course for individuals, identical with the seven Managerial Grid Seminars as conducted for 237 senior officers of the Agency. Its objectives are to enable participants to learn:

a) a common language describing managerial behavior,

b) open candid communication,

c) basic skills of working as a member of a team,

and to examine:

d) their personal assumptions about effective managerial behavior,

e) the nature of the culture of their organization, and

f) the theory of organization development.

3. Phase I may be conducted by a consultant, a training officer, or by a line manager, using copyrighted materials developed by the author of "The Managerial Grid." Individuals are assigned to teams and most of the work during the week consists of work by the teams on structured exercises.

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4. Phase II:

This is a two-or three-day activity which follows up the orientation given in Phase I with on-the-job application for an entire organization. The usual procedure is for each boss to go through it with his immediate subordinates (a so-called "work team"). In the case of the Office of Finance, the Director of Finance went through Phase II with his division and staff chiefs; each division chief then went through it with his branch chiefs; each branch chief then went through it with his section chiefs.

5. The objective is for each team to examine how it has been conducting its business on-the-job and to identify ways in which it might improve its effectiveness as a work group. Copyrighted training exercises enable each team to examine its own culture - the traditions, the precedents, norms and common attitudes which influence the way the team works. The team identifies barriers to full effectiveness, and sets specific goals for improving its job performance. The team also develops descriptions of the work behavior of the individual members, and develops suggestions for improvement.

6. It is obvious that success in Phase II depends on the development of open candid communication and a strong commitment to achieving excellence. A team cannot develop these characteristics through anything that an "outsider" does for it, but by the efforts of the work team itself. The team's boss, rather than a trainer or a consultant, is in charge of his group's activities as a normal part of his managerial responsibility. The trainers simply provide technical assistance where needed.

7. Later Phases:

Phases III through VI are concerned with development of the organization as a whole, and were not a part of this pilot project. To the extent that the top team of the Office of Finance concerned itself with problems of the office as a whole, it did actually enter into some Phase IV activity.